

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

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India

Post: New Delhi

India Proposes New Cotton Tracking Methods

Report Categories:

Cotton and Products

Agriculture in the News

Policy and Program Announcements

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Report Highlights:

On April 4, 2012, the Government of India (GOI) published a draft Cotton Trade (Development and Regulation) Bill 2012 inviting comments from various stakeholders in the cotton industry. The draft bill aims to establish a framework to collect statistical data on cotton production and stocks in possession of various stakeholders in the cotton supply chain.

General Information:

On April 4, 2012, the Government of India (GOI) published a draft Cotton Trade (Development and Regulation) Bill 2012 inviting comments from various stakeholders in the cotton industry. The draft bill aims to establish a framework to collect statistical data on cotton production and stock of cotton in possession of various stakeholders in the cotton supply chain.

The GOI currently has no statutory framework in place to ensure collection of reliable and accurate data for cotton. As per the draft bill, the Cotton Advisory Board (CAB), which is responsible for formulating the cotton balance sheet, has found it difficult to assess the production and consumption of raw cotton in the country due to inconsistent data.

Some of the recommendations by the Ministry of Textiles listed below:

- The Ministry of Textiles in the draft bill has recommended marking of bales by adopting a permanent bale identification system using electronic or magnetic tags. The tags would be installed on pressed cotton bales at ginning and pressing factories tracking the bales till cotton yarn production stage at textile mills.
- The bill also recommends the maintenance of registers at cotton pressing and ginning factories with monthly reporting to the Textile Commissioner regarding production. Similar reporting requirements from traders and textile mills have been proposed to ensure tracking of the movement of bales.
- There are proposed penalties for non-compliance in an effort to ensure timely collection and reporting of data.

Disclaimer: This summary is based on a cursory review of the subject announcement and therefore should not be viewed under any circumstance, as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests.

Type of Regulation: Draft Bill

Public Notice Date: April 04, 2012

Notification Text as published: The full text of this press release can be accessed on the Ministry of Textiles, Government of India website - ([The Cotton Trade Development and Regulation Bill 2012](#)).

Products Affected: Cotton and cotton based products

Agency in Charge: Department of Commerce, Ministry of Commerce & Industry and Ministry of Textiles, Government of India